Cultural Village of Europe Economic Conference in Ströbeck 6 – 9 October 2006



Contribution from STRÖBECK, GERMANY



PRODUCTION AND MARKETING FOR REGIONAL PRODUCTS

by Rudi Krosch and Kathrin Baltzer

Regional Market, October 7th, 2-6 p.m., Museum Courtyard

Farmers and small producers often complain that they cannot make enough money from selling their produce to wholesalers. However, selling to consumers directly is also very difficult, since farmsteads are often remote places that are not frequently visited. The budget for advertising is in general very small. This is the reason why markets have been gaining importance. The consumers have also found out that it is advantageous to buy directly from the producer. They get personal recommendations, and they know about the origin of the products. In recent years, more and more market events have emerged also in Saxony-Anhalt, even if their role is not as important as in regions like Bavaria, for example.

One of the more important markets in the Harz region is the "Harzer Peasant Market" in **Derenburg** which has taken place from March through to December every Saturday from 8 a.m. to 1 p.m. since 2003. There, about 15 to 20 marketers are present from this region, but also from the more remote regions of Börde, Anhalt and Mansfelder Land. Special attention is paid to freshness and origin of the goods. The producers can build up a client base which in some cases even covers the upper Harz.

But still the situation is difficult. This is because a good turnover depends on the buying power of the clients. In the neighbouring Land of Lower Saxony – so we have been told by one producer – he sells as much on one day as he sells here in one whole week.

Nevertheless, there are producers who are consistently and courageously committed to provide special products or promote traditional agriculture.

One example is the **Schäferhof Langenstein** (Shepherd's farm in Langenstein). This association has been founded with the idea in mind to uphold agrarian culture by continuing the oldest breeding place for Merino meat sheep in Germany and its herdbook. The concept includes a farm shop, a small hotel and a creative workshop which demonstrates, among other things, the processing of sheep's wool. Practical events and seminars try to pass on traditional crafts and peasant know-how and to foster the love of nature among children and grown-ups. And, the association is regularly represented on the abovementioned "Harzer Peasant Market".

"Harzer Baumkuchen - Friedrich" is a small company who has put new life into the nearforgotten Harz tradition of "tree-trunk cake". This cake is baked on a constantly revolving stick, adding layer after layer of dough so that the finished cake resembles the annual rings of a tree. The bakery has also an adjoining selling counter and a café for taking home or eating different varieties of tree-trunk cake. On a guided tour through the

bakery or through a big panorama window, customers can watch the cake in the making. In addition, the company presents its products on markets and is even represented in some supermarkets.

Frank Reinhardt in Westerhausen has founded a small workshop named "Spezialitätenmanufaktur" (Manufacture of Delicatessen). The trained baker and pastry cook started his trade by offering chocolates and marmalades. But he soon found that he, too, cannot survive by only selling to wholesalers. So, about one year ago, he began to visit markets such as the "Harzer Peasant Market". From his direct contact to consumers he also derived fresh ideas. After having been asked for the famous gherkins from his home town Westerhausen, he informed himself about this tradition and added it to his range of products.

The inn "**Prinz von Preußen**" in our village Ströbeck has been in the ownership of the Odenbach family for 50 years now. In the year 2000, Udo Odenbach, today's innkeeper, started feeding and butchering pigs and cattle. He is attaching great importance to the principles of organic breeding. He plants much of his fodder himself and makes his meat products without preservatives and ready-made spice mixes. Besides in his inn, he offers his produce from October through to March in his own farm shop, which is very popular, regularly on Thursdays and Fridays from 2 to 5 p.m.

After the German reunification, **Renate Krosch**, proprietor of the **publishing company Schachdorf Verlag**, found that there was a growing interest for tourism in the Chess Village. In order to be capable of tending to the needs of visitors, she started investigating regional history. In the year 1995, on the occasion of the village's 1000-year anniversary, she published her first book about village history. In the year 2003, she finally started up her own business. Besides publishing, she founded a small **Chess Store**, in which she sells Chess paraphernalia and also her own books. She also offers her books in bookstores in Halberstadt and Wernigerode who have shelves for regional literature. Since the topic of her publishing is a very narrow one but has an international target group, her marketing is directed towards chess historians, chess magazines (reviews), chess libraries (Den Haag, Kiel), special chess dealers and chess associations.

Some of the regional products have made it into the nationwide wholesale market, such as the beers of the brewery "Hasseröder" or the cheeses of the company "Harzer Käserei Rusack", which can be tasted on our market today. However, we must observe that the larger companies are being taken over by concern groups. The brewery "Hasseröder" was bought after 1990 by the Gilde brewing group based in Hanover. This group, in turn, has belonged to the Belgian group InBev since 2003, which is an international player. The result of this is that the city of Wernigerode, where the brewery has been based since 1872, no longer has the very important trade tax income from this company.

The cheese maker **Harzer Käserei Otto Rusack** is broadly associated with the famous Harz Cheese.

Harz Cheese is a sour milk cheese made from skimmed milk and has only about one percent of fat. Its origins have been in the Harz foothill region south of Brunswick. Harz Cheese is renowned for its strong smell, and it is highly recommended to keep it under a cheese cover. People like to eat it with bread and lard or mustard and with gherkins.

The company was founded in 1915. Since 2003, however, it belongs to the Limited company Käserei Loose, which has taken over distribution and marketing as of 2005. The company Loose, in turn, has belonged to the international group Theo Müller since 1998.

However, Rusack emphasize that they are still an independent company. I quote: "As one of the most modern sour milk cheese makers in Germany, Rusack as a subsidiary of Loose continues to cater for their customers with a responsible mind. This strong community aims at using optimum conditions on the difficult dairy market for giving our customers a range of wholesome quality products."

Regional Products

In our paper, we would like to deal with the regional economical development and the cultural life. In our opinion, the two aspects are inseparable, and they are going to characterize regional development in the future.

The regional economical development and thus the creation of regional products in our village is mainly a matter of agricultural production, due to the geographical location of our region.

As a result of the good soils and not least of the political situation, the making of agricultural products has happened and is still happening under near-industrial conditions.

The size of farms with up to 600 hectares of acreage in our village has lead to the fact that only a small range of produce is grown. The marketing is done via centralized wholesalers, and not locally.

As yet, we cannot distinguish between ecologically produced and conventionally produced crops, since the local farmers are not showing a great readiness for ecological cultivation.

An identity of the product with its region is non-existent, and it is difficult to rebuild. However, today, some initiators are trying, with much effort and hard work, to produce and market typical regional products again.

For example, the Peasant Market in our neighbouring town of Derenburg is becoming more and more popular. For small growers, these regional products are a good source of income, and the jointly organized peasant market is a good example for the marketing of regional products.

Direct marketing of foodstuffs by their producers is getting more and more popular with the consumers these days. When buying directly from the producer, they get specialities of which they know the origins. And they have a personal contact with the producer.

On the Cultural Villages' markets here in Ströbeck – for which we want to say thank you once again to everybody – we could experience how important regional products are for the image and presentation of a region. If this presentation is done by people wearing regional costumes, this is also a sign of pride and of identity with one's home village.

But it is also a sign that regional products and regional culture can and must join efforts to their mutual benefit.

We have seen that culture can also be part of a regional product.

Today, the cultural sector is much more prominent than in former times. And, the expectations of visitors towards cultural institutions and the cultural heritage are also much more complex today than a few years ago. When visiting a cultural event or institution, they do not only appreciate the cultural "core" happening, but they expect to be offered a good atmosphere, delicious catering, tourist infrastructure and maybe other things as well. This is because competition between a variety of events is getting stronger.

In addition, cultural events are expected to take place at unusual locations, for example in churches, in courtyards, in caves or historical buildings. The presentation of local and regional history in pieces of theatre, music and literature is of critical importance.

When all these conditions are met, the cultural event can be sure of its success, because of the willingness and readiness of the people to be mobile. We have experienced this especially in this year. Our Cultural Village events had a great benefit particularly for the local catering trade, the museum, the publishing house and other institutions.

As a result of the cooperation of regional products from economy and culture, we see the road to the future of our villages with optimism.